

Message Text

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ORIGIN SS-15

INFO OCT-01 ARA-10 ISO-00 SSO-00 CPR-01 PA-01 USIE-00
EB-08 IO-13 L-03 DOE-11 SOE-02 H-01 INRE-00
NSCE-00 AID-05 CIAE-00 COME-00 FRB-03 INR-10
NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 LAB-04
SIL-01 OMB-01 STR-07 CEA-01 /105 R

DRAFTED BY TEXT RECEIVED FROM WHITE HOUSE
APPROVED BY S/S-S:M.MCLEAN
ARA/CAR:ACHEWITT
ARA/ECP:JEO'MAHONY
NSC:RPASTOR (APPROVED DRAFT)
ARA:SSHELTON

-----056459 170113Z /23
O 170032Z PEB 78
FM SECSTATE WASHDC
TO AMEMBASSY KINGSTON IMMEDIATE

C O N F I D E N T I A L STATE 041934

E.O. 11652: GDS

TAGS:ECIN, EAID, JM

SUBJECT: LETTER TO PRIME MINISTER MANLEY FROM THE
PRESIDENT

1. PLEASE DELIVER THE FOLLOWING LETTER FROM THE PRESIDENT
TO PRIME MINISTER MANLEY.

2. BEGIN TEXT:

FEBRUARY 13, 1978

DEAR MR. PRIME MINISTER:

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THANK YOU VERY MUCH FOR YOUR THOUGHTFUL LETTER OF
DECEMBER 22. I WAS GLAD TO LEARN OF YOUR VIEWS ON ECONOMIC
RELATIONS AMONG DEVELOPED AND DEVELOPING COUNTRIES.

THE ISSUES YOU HIGHLIGHTED--COMMODITIES, DEBT, ENERGY, AND
THE TRANSFER OF RESOURCES--ARE ALL IMPORTANT. AS YOU KNOW,

MY ADMINISTRATION IS EAGER TO COOPERATE WITH OTHER NATIONS FOR GLOBAL ECONOMIC DEVELOPMENT, AND I GREATLY VALUE OUR CLOSE WORKING RELATIONSHIP IN THESE ENDEAVORS. I UNDERSTAND THAT UNDER SECRETARY COOPER WILL INVITE SIR EGERTON RICHARDSON TO WASHINGTON TO DISCUSS THESE NORTH-SOUTH

ISSUES AS WELL AS BILATERAL CONCERNS. WE KNOW THAT NEW EFFORTS ARE NEEDED TO SOLVE WORLDWIDE ECONOMIC PROBLEMS, AND WE HOPE THAT THE NEW UNITED NATIONS GENERAL ASSEMBLY AD HOC COMMITTEE OF THE WHOLE WILL HELP US IN THAT SEARCH.

LET ME REAFFIRM THE UNITED STATES' COMMITMENT TO STRENGTHENING THE INTERNATIONAL SYSTEM FOR COMMODITY TRADING. WE WILL CONTINUE TO SEARCH FOR SOUND, EFFECTIVE WAYS TO DEAL WITH THE PROBLEMS OF INDIVIDUAL COMMODITIES WITHIN THE FRAMEWORK OF THE UNCTAD INTEGRATED PROGRAM. ON THE COMMON FUND, I REGRET THAT THE NEGOTIATIONS HAVE NOT PROGRESSED AS RAPIDLY AS WE BOTH HAVE WISHED. AT THE NOVEMBER NEGOTIATING CONFERENCE, THE INDUSTRIALIZED COUNTRIES PROPOSED A FORMULA FOR AN EFFECTIVE COMMON FUND, WHICH WE HOPE WILL PROVIDE A BASIS FOR FRUITFUL NEGOTIATIONS WHEN THEY RESUME.

WE BELIEVE THAT A COMMON FUND SHOULD SUPPORT COMMODITY ARRANGEMENTS BETWEEN PRODUCERS AND CONSUMERS THAT ARE DESIGNED TO STABILIZE PRICES AROUND THEIR LONG-TERM
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MARKET TRENDS. IN OUR VIEW, A GENERAL EXPANSION OF WORLD TRADE WOULD DO MORE THAN ANYTHING ELSE TO IMPROVE THE OVERALL EXPORT EARNINGS OF DEVELOPING COUNTRIES. WE ARE WORKING TOWARD THIS GOAL IN THE GENEVA TRADE NEGOTIATIONS AND ENCOURAGE YOUR LEADERSHIP.

AS YOU NOTE, ENERGY PRICES CONCERN BOTH OF US GREATLY. WE SHOULD EXAMINE ALL ASPECTS OF THIS ISSUE--FOR INSTANCE, THE RELATIONSHIP BETWEEN OIL PRICE INCREASES AND DEBT. THE FIVEFOLD INCREASE IN OIL PRICES SINCE 1973 CREATED BALANCE OF PAYMENTS PROBLEMS FOR BOTH OUR COUNTRIES, AS THEY DID AROUND THE WORLD. THESE INCREASES HAVE SLOWED THE PACE OF DEVELOPMENT. WE ARE CONCERNED ABOUT THE DEBT ISSUE AND ARE DISCUSSING IT IN APPROPRIATE FORUMS, SUCH AS UNCTAD AND THE IBRD/IMF DEVELOPMENT COMMITTEE.

I AGREE WITH YOU THAT INCREASED TRANSFERS TO DEVELOPING COUNTRIES ARE NECESSARY. AT THE CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION, THE UNITED STATES AND OTHER COUNTRIES PLEDGED TO INCREASE THEIR DEVELOPMENT ASSISTANCE

SUBSTANTIALLY. MY ADMINISTRATION WILL CARRY OUT ITS COMMITMENT AS WE SEEK APPROPRIATION OF ADDITIONAL DEVELOPMENT ASSISTANCE FROM THE CONGRESS IN COMING YEARS.

MY ADMINISTRATION WILL APPEAL TO THE CONGRESS TO CONTINUE ITS SUPPORT FOR US PARTICIPATION IN THE INTERNATIONAL

FINANCIAL INSTITUTIONS. WE WILL JOIN IN A GENERAL CAPITAL INCREASE OF THE WORLD BANK. WE ARE DETERMINED TO SUPPORT SUBSTANTIAL REPLENISHMENTS OF INTER-AMERICAN AND THE CARIBBEAN DEVELOPMENT BANKS. WE EXPECT TO WIN CONGRESSIONAL APPROVAL OF THE UNITED STATES' PARTICIPATION IN THE IMF'S NEW SUPPLEMENTARY FINANCE FACILITY. IT IS IMPORTANT TO RECOGNIZE, HOWEVER, THAT THERE ARE LIMITS TO THE AMOUNT OF ASSISTANCE WHICH THE US AND OTHER DEVELOPED

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COUNTRIES CAN PROVIDE. AS YOU NOTE IN YOUR LETTER, ADDITIONAL ECONOMIC ASSISTANCE MUST BE PROVIDED BY OIL-PRODUCING COUNTRIES AS WELL AS TRADITIONAL DONORS.

WE MUST REMEMBER THAT MUCH OF THE EXTERNAL CAPITAL THE DEVELOPING WORLD RECEIVES COMES FROM THE PRIVATE SECTOR-- AND THAT THEIR SHARE IS LIKELY TO INCREASE. THEREFORE, IT IS IN OUR INTERESTS TO ENSURE THAT MEASURES ARE NOT TAKEN WHICH WOULD DISCOURAGE THESE FLOWS. AT YOUR REQUEST, I HAVE INSTRUCTED THE COMMERCE AND STATE DEPARTMENTS TO COOPERATE WITH YOUR GOVERNMENT TO DO AN ANALYSIS AND A REPORT OF THE INVESTMENT CLIMATE OF JAMAICA, OFFERING SUGGESTIONS ON HOW IT COULD BE IMPROVED.

SINCERELY,

JIMMY CARTER

THE HONORABLE
MICHAEL NORMAN MANLEY, M.P.
PRIME MINISTER OF JAMAICA
KINGSTON

END TEXT

3. ORIGINAL OF LETTER BEING POUCHED TO POST.

4. PLEASE ADVISE TIME AND DATE OF DELIVERY. VANCE

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NNN

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
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Current Classification: UNCLASSIFIED
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Copy: SINGLE
Draft Date: 17 feb 1978
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Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
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ISecure: 1
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Message ID: d54e9cce-c288-dd11-92da-001cc4696bcc
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Media Identifier:
Review Release Date: n/a
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Review Withdrawn Fields: n/a
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Subject: LETTER TO PRIME MINISTER MANLEY FROM THE PRESIDENT
TAGS: EAID, ECIN, JM, PPDC, (MANLEY, MICHAEL N)
To: KINGSTON
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/d54e9cce-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
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20 Mar 2014
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